

SENATE AMENDMENTS

2nd Printing

By: Button, Price, Shaheen, Goodwin, Guerra,
et al.

H.B. No. 1973

A BILL TO BE ENTITLED

AN ACT

relating to the system by which an application for a low income
housing tax credit is scored.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2306.6710, Government Code, is amended
by adding Subsection (g) to read as follows:

(g) If no written statement is received for an application
under Subsection (b)(1)(J), the department shall use the maximum
number of points that could have been awarded under that paragraph
to increase the maximum number of points that may be awarded for
that application under Subsection (b)(1)(B). If awarding points
under Subsection (b)(1)(B)(iii), the department shall reallocate
the points from the scoring category provided by Subsection
(b)(1)(J) equally between the political subdivisions described by
Subsection (b)(1)(B)(iii). In awarding points transferred under
this subsection from the scoring category provided by Subsection
(b)(1)(J) to the scoring category provided by Subsection (b)(1)(B),
the department shall award:

(1) positive points for positive resolutions adopted;

(2) negative points for negative resolutions adopted;

and

(3) zero points for neutral resolutions adopted.

SECTION 2. The change in law made by this Act applies only
to an application for low income housing tax credits that is

H.B. No. 1973

1 submitted to the Texas Department of Housing and Community Affairs
2 during an application cycle that is based on the 2020 qualified
3 allocation plan or a subsequent plan adopted by the governing board
4 of the department. An application that is submitted during an
5 application cycle that is based on an earlier qualified allocation
6 plan is governed by the law in effect on the date the application
7 cycle began, and the former law is continued in effect for that
8 purpose.

9 SECTION 3. This Act takes effect September 1, 2019.

ADOPTED

FLOOR AMENDMENT NO. 1

MAY 22 2019

BY:

Letay Spaul
Secretary of the Senate

Philip J. Naton

Amend H.B. No. 1973 (senate committee report) as follows:

(1) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION ____ . Sections 2306.111(c), (c-1), and (c-2), Government Code, are amended to read as follows:

(c) In administering federal housing funds provided to the state under the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. Section 12701 et seq.), the department shall allocate ~~[expend]~~:

(1) 95 percent of these funds for the benefit of non-participating small cities and rural areas that do not qualify to receive funds under the Cranston-Gonzalez National Affordable Housing Act directly from the United States Department of Housing and Urban Development, except that an amount not to exceed 15 percent of the funds allocated under this subdivision may be allocated to participating jurisdictions as necessary to meet the requirements of federal law; and

(2) at least five percent of these funds for the benefit of persons with disabilities who live in any area of this state.

(c-1) Eligibility to apply for set-aside funds under Subsection (c) is determined by federal law ~~[The following entities are eligible to apply for set-aside funds under Subsection (c):~~

~~[(1) nonprofit providers of affordable housing, including community housing development organizations; and~~

~~[(2) for-profit providers of affordable housing].~~

(c-2) In allocating set-aside funds under Subsection (c), the department:

(1) may not give preference to nonprofit providers of affordable housing, except as necessary to meet the requirements

1 of ~~required by~~ federal law; and

2 (2) shall allocate funds:

3 (A) in accordance with any applicable spending
4 plan required under federal law; and

5 (B) in a manner that ensures that, to the greatest
6 extent possible, an allocation required only under state law is
7 made before an allocation is made solely to meet the requirements
8 of federal law.

9 SECTION _____. The change in law made by this Act in amending
10 Section 2306.111, Government Code, applies only to an application
11 for financial assistance that is submitted to the Texas Department
12 of Housing and Community Affairs on or after January 1, 2020. An
13 application for financial assistance that is submitted to the
14 department before January 1, 2020, is governed by the law in effect
15 immediately before the effective date of this Act, and the former
16 law is continued in effect for that purpose.

17 (2) In SECTION 2 of the bill (page 1, line 38), between "Act"
18 and "applies", insert "in amending Section 2306.6710, Government
19 Code,".

ADOPTED

FLOOR AMENDMENT NO. 2

MAY 22 2019

Letay Spaw
Secretary of the Senate

BY:

Thurk Dutton

Amend H.B. No. 1973 (senate committee report) as follows:

(1) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION 1. Section 2306.6711(f), Government Code, is amended to read as follows:

(f) The board may allocate housing tax credits to more than one development in a single community, as defined by department rule, in the same calendar year ~~[only]~~ if:

(1) the developments are or will be located more than two linear miles apart; or

(2) the following conditions are met:

(A) at least one of the developments will be located wholly within a census tract:

(i) that has a poverty rate above 15 percent;

and

(ii) in which the median value of owner-occupied homes has increased by 15 percent or more within the five years preceding the date of the application; and

(B) the applicant for the development:

(i) has obtained prior approval of the development from the governing body of the appropriate municipality or county containing the development; and

(ii) has included in the application a written statement of support from that governing body referencing this section and authorizing an allocation of housing tax credits for the development. [This subsection applies only to communities contained within counties with populations exceeding one million.]

(2) In SECTION 2 of the bill (page 1, line 38), strike "change" and substitute "changes".

1 (3) In SECTION 2 of the bill (page 1, line 38), strike
2 "applies" and substitute "apply".

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 23, 2019

TO: Honorable Dennis Bonnen, Speaker of the House, House of Representatives

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1973 by Button (Relating to the system by which an application for a low income housing tax credit is scored.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

Local Government Impact

According to the Texas Association of Counties, no fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs
LBB Staff: WP, AF, SGr, MB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 9, 2019

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1973 by Button (Relating to the system by which an application for a low income housing tax credit is scored.), **As Engrossed**

No fiscal implication to the State is anticipated.

Local Government Impact

According to the Texas Association of Counties, no fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: WP, AF, SGr, MB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 9, 2019

TO: Honorable Angie Chen Button, Chair, House Committee on Urban Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1973 by Button (Relating to the system by which an application for a low income housing tax credit is scored.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

According to the Texas Association of Counties, no fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: WP, AF, SGr, MB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 19, 2019

TO: Honorable Angie Chen Button, Chair, House Committee on Urban Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1973 by Button (Relating to the system by which an application for a low income housing tax credit is scored.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

According to the Texas Association of Counties, no fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: WP, AF, SGr, MB